

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

In re:	§	
	§	Case No. 14-11583-TMD
ADILACE HOLDINGS, INC.	§	
	§	Chapter 7
Debtor.		

**APPLICATION TO SELL PROPERTY OF THE BANKRUPTCY ESTATE FREE
AND CLEAR OF LIENS AND OTHER INTERESTS**

TO THE HONORABLE TONY M. DAVIS, U. S. BANKRUPTCY JUDGE:

NOW COMES, Ron Satija, ("Trustee") the chapter 7 Trustee for the above-captioned and numbered bankruptcy case and files this his Application to Sell Property of the Bankruptcy Estate Free and Clear of Liens and Other Interests and for Payment of Auctioneer's Fees and Expenses of Sale ("Application"), and in support thereof would respectfully show the Court as follows:

I. JURISDICTION AND VENUE

1. The Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is appropriate and this Application is proper in this district and Court under 28 U.S.C. §§ 1408 and 1409. This is a core matter pursuant to 28 U.S.C. § 157(b)(2)(N).

II. BACKGROUND

2. On October 24, 2014, the Court entered an Order for Relief against the Debtor, putting the Debtor involuntarily into bankruptcy under Chapter 7 of Title 11 of the United States Code in the United States Bankruptcy Court for the Western District of Texas Austin Division.

3. On January 23, 2015, upon motion of the Debtor, the Court converted the case to Chapter 11.

4. On April 1, 2015, the case was reconverted to Chapter 7, and the Trustee was

appointed.

III. FACTS

5. Trustee intends to sell by private sale or court auction pursuant to 11 U.S.C. § 363 (b) and (f) and Bankruptcy Rule 6004, as set forth below (the “Property”):

PROPERTY

DESCRIPTION:	The Debtor’s 80% interest in Image Trends IP, LLC
BUYER:	SM Financial Services Corp., Post Office Box 530, 49 Old Turnpike Road, Oldwick, New Jersey 08858
PURCHASE PRICE:	\$5,000
TERMS:	AS-IS/WHERE-IS, NO WARRANTIES EXPRESS OR IMPLIED
COMPETING BIDS:	Should there be any other interested bidders, they may submit bids to the Trustee prior to October 31, 2017 by e-mail to rsatija@satijatrustee.com .

6. Such competing bids will be presented to the Court by the Trustee at the hearing on this matter who would request that the winning bid be confirmed by Court Order.

7. The subject property is property of the bankruptcy estate and is being sold free and clear of liens and other interests, including all interests of Debtor, with all other valid and unavoidable liens to attach to the proceeds.

8. After the setting of a hearing in this matter, the trustee will mail to all creditors, parties in interest, and prospective buyers the notice attached hereto as Exhibit "A," pursuant to Bankruptcy Rule 2002 such that notice is provided more than 21 days’ prior to the bid deadline and the hearing.

9. After consultation with a tax consultant, Trustee does not believe that Debtor’s bankruptcy estate will suffer any negative tax consequences as a result of the subject sale.

IV. ARGUMENT AND AUTHORITY

10. Pursuant to 11 U.S.C. §363(b), the Trustee may sell property of the estate outside the ordinary course of business pursuant to a motion and hearing.

11. 11 U.S.C. § 363(f) permits the sale of property free and clear of any interest in the property of an entity other than the estate upon satisfaction of any of the conditions listed in the section. The Trustee submits that 363(f) is satisfied because no claims or liens are known to exist.

12. Bankruptcy Rule 6004 requires an application and order to effectuate a sale free and clear of liens. A sale free and clear of liens is necessary to induce buyers to purchase the property. It is necessary to file this Application so that any party-in-interest asserting a lien, whether or not such assertion is known to Trustee or Debtor, will be placed on notice that the property will be sold free and clear of its liens unless otherwise ordered. The Trustee is aware of no liens or other interests against this property.

WHEREFORE, PREMISES CONSIDERED, Trustee respectfully prays that the Court enter an order approving the sale under the terms and conditions set forth herein. In addition, Trustee prays for any further relief to which he may show himself justly entitled.

Respectfully submitted,

HAJJAR PETERS LLP

/s/ Ron Satija

Ron Satija

SBT 24039158

3144 Bee Caves Rd

Austin, Texas 78746

Tel: (512) 637-4956

Fax: (512) 637-4958

Email: rsatija@satijatrustee.com

COUNSEL TO TRUSTEE

CERTIFICATE OF SERVICE

The signature above certifies that notice of this application will be served on those shown on the attached matrix via the Court's CM/ECF system or by first class, U.S. mail, postage prepaid within two business days of a notice of hearing being filed in this matter and in any case no later than October 10, 2017. A supplemental certificate of service will be filed indicating completion of service.